

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 133 - SB 646

February 21, 2013

**SUMMARY OF BILL:** Changes several provisions of the *Tennessee Real Estate Broker License Act of 1973*. Caps, at 90 days, the number of days in which the Tennessee Real Estate Appraiser Commission must notify a real estate broker, who is covered with error and omissions insurance, of any change in terms or conditions prior to the renewal date. States that any licensee who fails to either obtain, maintain, or renew error and omissions insurance coverage will automatically have such license suspended. Creates various provisions concerning the reinstatement of a licensee following a suspension due to a failure to obtain, maintain, or renew error and omissions insurance coverage.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Currently, a real estate broker cannot be granted a license or have a license renewed without holding error and omission insurance coverage.
- According to the Department of Commerce and Insurance, this bill would automate and expedite the error and omissions disciplinary process, but would not result in any immediate decrease in expenditures.
- According to the Department, there may be long term cost savings as a result of this bill, but the amount cannot be quantified at this time.
- Any short-term cost savings realized from provisions of this bill is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jdb

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